

REMARKS

A. Status of Claims

On September 29, 2005, Applicants filed a Response to an Election/Restriction Requirement mailed on August 29, 2005. Applicants elected, with traverse, the invention of claims 1-54 for prosecution. The remaining claims 55 and 56 were not elected. Applicants stated in their Response that the traversal was based on the fact that there was no evidence that also examining the inventions of claims 55 and 56 would be a hardship on the Examiner. No statements were made in the Response regarding the similarity of the two groups of claims.

In the Office Action mailed on January 17, 2006, claims 1-56 were rejected under 35 U.S.C. § 112, second paragraph. Since claims 54 and 56 have been rejected, Applicants can only assume that the previously mentioned Election/Restriction Requirement has been withdrawn. If this is incorrect, then Applicants traverse the Restriction Requirement for the same reasons given in their Response filed on September 29, 2005. Furthermore, the Restriction Requirement is improper because claims 1-54 regard various systems for providing electronic security. In contrast, claims 55 and 56 regard methods for providing security for an electronic transaction. The Restriction Requirement asserted that the methods of claims 55-56 were subcombinations of the systems of claims 1-54. It makes no sense that a method claim can be considered a subcombination of system claims pursuant to MPEP § 806.05. Accordingly, the Restriction Requirement is improper and should be withdrawn.

B. Interviews with Examiner and Supervisor

In the Office Action mailed on January 17, 2006, claims 1-56 were rejected under 35 U.S.C.

§ 112, second paragraph, for failing to set forth the subject matter which applicants regarded as their invention. The rejection was solely based on the following statement made in Applicants' Response to Restriction Requirement filed on September 29, 2006:

there is no evidence that there would be any hardship on the Examiner to examine both groups [of inventions] (bracketed material added).

Since there was no credible nexus between the above statement and the rejection, the undersigned contacted the Examiner on February 9, 2006 in an attempt to show that the rejection was fatally flawed and that a new Office Action should be rendered in which the claims were examined as to all aspects of patentability, including those under 35 U.S.C. §§ 102-103. The Examiner disagreed, but could not give any legitimate reason for his rejection, at least in the view of the undersigned.

Faced with the Examiner's position, the undersigned next contacted the Examiner's supervisor, Gilberto Barron, on February 8, 2006. The undersigned explained his position and Mr. Barron conceded that the rejection was unusual to say the least. He promised to look into the matter further.

On February 9, 2006, Mr. Barron contacted the undersigned and indicated that the proper procedure on how to respond to the Office Action was to state that the statements made in the Response merely were directed to asserting that there would be no hardship to search all of the claims and were not directed in any way to characterizing the scope or meaning of the claims. The undersigned pointed out his unease with filing such a response in that he feared the Examiner would cook up some other rejection without addressing all aspects of patentability, including those

under 35 U.S.C. §§ 102-103. Mr. Barron understood the undersigned's position and he then gave his personal assurance that he would review the next Office Action rendered and would make sure that a legitimate Office Action is rendered which addressed all aspect of patentability. He further assured the undersigned that he would review any art cited in a rejection to make sure that such citation was a bona fide attempt to examine the claims. The undersigned then agreed to file a response with the understanding that Mr. Barron would fulfill the conditions set forth above.

C. 35 U.S.C. § 112, Second Paragraph

In the Office Action mailed on January 17, 2006, claims 1-56 were rejected under 35 U.S.C. § 112, second paragraph, for failing to set forth the subject matter which applicants regarded as their invention. The rejection appears to be based on the following logic. First, the Examiner determined that the inventions of claims 1-54 were different from the inventions of claims 55-56 by rendering the Restriction Requirement mailed on August 29, 2005. Second, Applicants traversed the Restriction Requirement on September 29, 2005 for the sole reason that "there is no evidence that there would be any hardship on the Examiner to examine both groups [of inventions]" (bracketed material added). Third, Applicants' statement above was interpreted by the Examiner to mean that Applicants interpreted the differences between the inventions of claims 1-54 and claims 55-56 in a manner different than that of the Examiner as set forth in the Restriction Requirement. Fourth, the alleged difference in interpretation of the claims between Applicants and the Examiner is "[e]vidence that claims fail(s) to correspond in scope with that which applicant(s) regard as the invention."

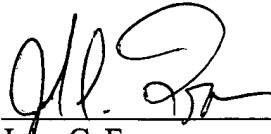
Assuming the above summary of the rejection is accurate, Applicants traverse the rejection.

In particular, it is not credible to take the position that Applicants' statement of September 29, 2005 that "there is no evidence that there would be any hardship on the Examiner to examine both groups" has any relation to the interpretation of the claims. The statement only was meant to mean that the inventions of claims 1-54 and 55-56 were such that there would be significant overlap in the searches and thus there would be no undue burden to search both inventions at the same time. The statement clearly was not directed to interpreting the meaning or the scope of the claims. To put any other interpretation to the statement would not be believable. Since the Office Action has failed to provide a credible basis for its rejection, the rejection is improper and should be withdrawn.

It is noted that claims 1-56 have not been rejected based on the prior art. Accordingly, the claims should be allowed in the next Office Action. Any other response that is not credible on its face would be improper in view of the prosecution history involved in the present case. In particular, it has been over one year since Applicants filed their Amendment of November 4, 2004 in which Applicants provided amendments and arguments in support of the allowance of the currently pending claims. In response to the November 4th Amendment, Applicants have received two Office Actions and the above mentioned Election/Restriction Requirement which have not addressed all aspects of patentability, including those under 35 U.S.C. §§ 102-103. Applicants have easily shown the impropriety of each of the two Office Actions. Furthermore, it appears that the rejection of claims 55 and 56 in the present Office Action is an admission that the

Election/Restriction Requirement had no merit. This piecemeal prosecution is improper and should be discontinued. MPEP § 707.07(g).

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J.C. Freeman', written over a horizontal line.

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